

Tax Practitioner Guidelines for Computer Prepared Returns

Introduction

The Franchise Tax Board (FTB) has established these guidelines for tax practitioners who use personal computers (or service bureaus) to computer prepare their clients':

- Form 540, California Resident Income Tax Return;
- Form 540A, California Resident Income Tax Return;
- Form 540-ADS, California Automated Data Sheet;
- Form 540EZ, California Resident Income Tax Return For Single and Joint Filers With No Dependents;
- Form 540NR, California Nonresident or Part-Year Resident Income Tax Return; and/or
- Form 540X, Amended Individual Income Tax Return.

If you manually prepare your clients' returns, you **must** use the official form as printed and distributed by FTB.

By following these guidelines you will help reduce delays in processing and get your clients' refunds to them faster.

As a tax practitioner you do not need approval by FTB to computer prepare your clients' returns. However, make sure that the tax software or service bureau you use produces FTB-approved forms. Ask your company for a copy of its FTB approval letter for the form(s) you are interested in.

To ensure that you receive software updates and other information necessary to produce your company's FTB-approved form(s), register with your company upon receiving the product.

FTB has separate guidelines for tax practitioners who want to participate in FTB's Electronic Filing Program (ELF). Call the ELF Help Desk at (916) 845-0353 to get FTB Pub. 1346, Electronic Return File Specifications and Record Layouts for Individual Income Tax Returns.

General Information About Scannable Forms 540, 540A and 540-ADS

FTB will use its Image Assisted Data Capture (IADC) system to process 1994 Forms 540, 540A and 540-ADS. Returns showing a refund due (or no amount due) will be "scanned" to "lift" information from the return, rather than having the information entered by key data operators.

The computer prepared Forms 540, 540A and 540-ADS you print **must** have the scannable graphic patch located in the center top margin of Side 1. The patch identifies Side 1 of a taxpayer's return as it enters the IADC system.

Forms 540 and 540A **must** have a scannable band area that **must** contain the taxpayer's tax data. On Form 540, the "scanband" directly follows the "Step 1 Name and Address" area. On Form 540A, the scanband is at the bottom of Side 1. The two-digit field numbers in the scanband area correspond to the line numbers in the conventional areas of Forms 540 and 540A. Even though the tax data will print in the scanband and the conventional area of the form, only the tax data in the scanband will be "lifted." Monetary amounts in the scanband **must** be whole dollars only without decimal points or other punctuation. The rest of the scannable form is exactly like the official form.

Form 540-ADS is composed of data from a select group of forms and schedules. The data consists of return title information, taxpayer entity information, tax entry segment information (taxpayer's tax data), additional required information and signatures. All descriptions, headings and nonessential words are eliminated. The two-digit field numbers on Form 540-ADS correspond to the line numbers on Form 540 and to other forms and schedules. **Note:** Your clients who would otherwise file Form 540A or Form 540EZ may file Form 540-ADS. However, the software or service bureau you use must convert the information to correspond to the Form 540-ADS field numbers. See page 3 for information on who may file Form 540-ADS.

A graphic of these forms is shown on page 6.

What is Needed to Computer Prepare Forms 540, 540A, 540-ADS, 540NR, 540EZ, and/or 540X?

Tax practitioners may produce the above returns using:

- the software that produces FTB-approved forms;
- the personal computer hardware required by the software to produce FTB-approved forms (i.e., font cartridges, etc);
- the software user's manual that includes instructions for correctly producing FTB-approved forms; and
- the FTB-approved overlay, if needed. See the explanation of the correct use of overlays on page 3.

Please read your company's user manual to make sure you have the necessary hardware and printer fonts to correctly produce FTB-approved form(s).

All printing must be:

- laser, ink jet, daisy wheel or letter quality dot matrix;
- courier, standard OCR-A font or standard print font;
- 10 pitch (pica spacing);
- original printed output (no corrections); and
- on one side of the paper (no duplexing).

Guidelines on How to Enter Taxpayer Entity Information on Computer Prepared Forms 540, 540A, 540-ADS, 540EZ, 540NR, and/or 540X (Step 1 Name and Address area)

Taxpayer entity information is arranged in fixed positions with defined field lengths. Each field is dedicated to hold specific information such as:

- spouse name;
- executor/guardian name;
- apartment and apartment number (or letter); and
- deceased date of taxpayer or taxpayer's spouse, if any.

It is critical that you enter the taxpayer entity information correctly. This will help FTB to accurately process your clients' returns, and help ensure that your clients' refund checks are printed with the correct name(s) and address. Your clients' entity should print like the examples shown under "Taxpayer Entity Information Examples" on page 2.

Two Asterisks (**) In The Entity

Two asterisks (**) in the taxpayer entity area indicate to FTB that taxpayer information is **UNCHANGED** from last year. Print two asterisks **ONLY** if the taxpayer (and taxpayer's spouse, if any):

- filed a California Form 540, 540A, 540-ADS, 540EZ or 540NR return last year;
- did **not** change the address from the one shown on last year's return;
- has the same social security number (SSN) as last year;
- has the same filing status as last year; and
- is not deceased.

Otherwise, **do not** print the asterisks.

Taxpayer Name and Address Entry Instructions

Use these instructions when you enter your clients' name and address information. It will help reduce FTB processing time and help ensure that your clients' refunds are mailed to the correct name(s) and address.

- Alpha characters must be in upper case.

- Use no punctuation or symbols. **Note:** If a fraction is part of the street address, enter a forward facing slash (/). **Note:** This is the **only** symbol that may be used in the taxpayer name and address area.
- Do not use commas or periods to separate information.
- **Never** space or use punctuation in the taxpayer's name control field. (The name control is the first four letters of the taxpayer's last name. The name control follows the taxpayer's SSN.)
Example: McPeak Enter: MCPE
O'Toole Enter: OTOO
De Martino Enter: DEMA
Lee Enter: LEE
- Do not include titles or ranks such as: DR, MD, ENSIGN, SGT, etc.
- Use Roman numerals (alpha characters) for numeric suffixes.
- Never space within the name field(s) except for JR, SR, II, etc.
- The SSN must be eleven digits (includes "-"). Enter "000-00-0000" in the SSN field if an individual has applied for or does not have an SSN.
- Use the standard abbreviations listed to the right for the suffix of the street name.
- **Do not** enter apartment and apartment number/letter in the street address field. Enter in the designated "apartment" and "apartment number" fields. These fields are on the same line as the street address field. **Note:** Enter APT, BLDG, SP, STE, RM, FL, NO and UN in the "apartment" field.
- **Do not** precede the apartment number with a pound sign (#).
- Additional address field is a supplemental field that may be used for **only**:
 - "in care of" name;
 - additional address information.
- Military "APO" or "FPO" addresses:
 - Enter "APO" or "FPO" in the first three positions of the city field;
 - **Do not** enter the name of the city for "APO" and "FPO" addresses;
 - Enter the two-digit state code in the state field:

State Code	Zip Code Range
AA	34000-34099
AE	09000-09999
AP	96200-96699 and 98700-98799
- In the state field, use the standard two-digit abbreviation for the state or United States possessions listed to the right.
- If the address is a foreign address, enter the country beginning in the state field. **Note:** You may not use Form 540-ADS if your client has a foreign address.
- Zip code may be ten digits (including "-").
- If after applying these guidelines the information exceeds the field length, truncate the information from the right.

Taxpayer Entity Information Examples:

111-11-1111 LISA	MISS ** A MISSION	94	111-11-1111 ROBERT BARBARA	WILL ** J WILLIAMS S WILLIAMS	222-22-2222 94
1234 STATE ST CROWN	CA 12345-6789		9876 LONGNAME WY WALLACE	CA 12345-6789	APT 1
111-11-1111 JOHN JANE	TAXP ** Q TAXPAYER S TAXPAYER	222-22-2222 94	111-11-1111 ROBERT	SMIT J SMITH	94
12345 SHORT ST ANYPLACE	CA 12345		HOMESTYLE NURSING HOME 3452 BUSY DR BORDERTOWN	CA 12345	
111-11-1111 SUSAN	CART M CARTOON	94 (DECD 12-10-93)	ROBERT JONES NO 5		
1234 BEAUTIFUL DR WELCOME	CA 54321-4334				

Note: If there is no spouse name, leave that line blank. If there is no additional address or executor/guardian name, leave that line blank.

Standard Abbreviations

AIR FORCE BASE	AFB	PARKWAY	PKY
APARTMENT	APT	PLACE	PL
AVENUE	AV	POST OFFICE BOX	PO BX
BOULEVARD	BL	ROAD	RD
BUILDING	BLDG	SAN	SN
CIRCLE	CIR	SOUTH *	S
COURT	CT	SOUTHEAST *	SE
DEPARTMENT	DEPT	SOUTHWEST *	SW
DRIVE	DR	SPACE	SP
EAST *	E	SQUARE	SQ
HIGHWAY	HWY	STREET	ST
LANE	LN	SUITE	STE
NORTH *	N	TERRACE	TER
NORTHEAST *	NE	UNIT	UN
NORTHWEST *	NW	WAY	WY
NUMBER OR #	NO	WEST *	W

* ABBREVIATE ONLY WHEN USED AS A DIRECTION.

State or U.S. Possessions Abbreviations

Alabama	AL	Montana	MT
Alaska	AK	Nebraska	NE
American Samoa	AS	Nevada	NV
Arizona	AZ	New Hampshire	NH
Arkansas	AR	New Jersey	NJ
California	CA	New Mexico	NM
Colorado	CO	New York	NY
Connecticut	CT	North Carolina	NC
Delaware	DE	North Dakota	ND
Dist Columbia	DC	Northern Mariana	
Federated States of Micronesia	FM	Islands	MP
Florida	FL	Ohio	OH
Georgia	GA	Oklahoma	OK
Guam	GU	Oregon	OR
Hawaii	HI	Palau	PW
Idaho	ID	Pennsylvania	PA
Illinois	IL	Puerto Rico	PR
Indiana	IN	Rhode Island	RI
Iowa	IA	South Carolina	SC
Kansas	KS	South Dakota	SD
Kentucky	KY	Tennessee	TN
Louisiana	LA	Texas	TX
Maine	ME	Utah	UT
Marshall Islands	MH	Vermont	VT
Maryland	MD	Virgin Islands	VI
Massachusetts	MA	Virginia	VA
Michigan	MI	Washington	WA
Minnesota	MN	West Virginia	WV
Mississippi	MS	Wisconsin	WI
Missouri	MO	Wyoming	WY

Who Can File Form 540-ADS?

Form 540-ADS may be filed by taxpayers who:

1. Have income from **only**:
 - wages, interest, dividends;
 - social security, unemployment compensation;
 - pensions, annuities, IRA distributions;
 - capital gains (losses);
 - gambling or lottery winnings; and
2. Would otherwise file one or more of the following California forms or schedules:
 - Form 540, Form 540A, Form 540EZ or FTB 3805P;
 - Schedule CA or Schedule D; and
3. Claim one or more of the following additional credits:
 - senior head of household;
 - joint custody head of household; and
 - dependent parent.

Is There Anyone Who Cannot File Form 540-ADS?

Form 540-ADS may not be filed if:

- the return is for a taxable year other than the taxable year beginning January 1, 1994, and ending December 31, 1994;
- the taxpayer's address is outside the United States or its possessions;
- the taxpayer is amending or correcting a previously filed return; and
- there are entries in the following fields:

Sch/Form	Line #	Field Description
Form 540	20	FTB 3800 box
Form 540	20	FTB 3803 box
Form 540	21	Schedule P indicated
Form 540	23	Tax from Schedule G-1 or FTB 5870A
Form 540	31	To claim more than three credits
Form 540	35	Alternative Minimum Tax
Form 540	63	Underpayment of Estimated Tax
Form 540A	37	Underpayment of Estimated Tax
Sch CA	12	Business income or loss
Sch CA	14	Other gains or (losses)
Sch CA	17	Rents, royalties, partnerships, estates, trusts, etc.
Sch CA	18	Farm income or (loss)
Sch CA	21b	Disaster loss carryover from FTB 3805V
Sch CA	21c	Federal NOL (Form 1040, line 21)
Sch CA	21d	NOL carryover from FTB 3805V
Sch CA	21e	NOL from FTB 3805Z or FTB 3806
Sch CA	21f	Other
Sch CA	24	Moving expense
Sch CA	25	One-half of self-employment tax
Sch CA	26	Self-employed health insurance deduction
Sch CA	27	Keogh or SEP deduction
Sch CA	29	Alimony paid
FTB 3805P		"Amended Return" indicated

Entering Data in Repeating Fields on Form 540-ADS

Do not sum fields that allow repeating entries and enter them as one item. The fields that may repeat are:

- Form 540-ADS, line 10A, dependents;
- Schedule CA, line 36, other adjustments; and
- Schedule D, line 01A through 01E, property information.

Miscellaneous Information

The Correct Use of Overlays

If you use a dot matrix printer, your company's product may require the use of an overlay. If you must use an overlay to produce FTB-approved form(s), it is critical that you use the overlay correctly. Misuse may delay your client's refund. Please use the following guidelines when you use an overlay:

- Make sure the glass on the photocopier you use is free from any obstructions. (e.g., smudges, smears and dust).
- Make sure the overlay you use is also free from any obstructions.
- Use the grid marks (small box(es) or other distinguishing symbol) to ensure correct placement of your clients' entity information and scanband data. **Note:** The location of the grid marks may differ on each company's product.
- Upon completion, make sure that your clients' return is clear and straight on the paper. If not, make another copy.

What are Keying Symbols?

Keying symbols are shown on all computer prepared returns, including the conventional parts of scannable forms. They will print to the left of specific tax data line numbers. These symbols guide FTB's key data operators to enter correct tax return information into FTB's automated files. These symbols reduce the time it takes to enter tax return information.

Exact placement, shape and size of keying symbols are shown in the example below. (The example below shows a 1993 Form 540NR. However, these same symbols are being used for all 1994 personal income tax returns.)

Before you give your clients' their return to file, please verify that these symbols are present. This will help ensure the return is processed correctly. If the keying symbols are not present, please read your user's manual and make sure you have the minimum hardware and printer fonts necessary to print FTB-approved form(s). **Note:** In most cases if you download the soft fonts before printing your clients' returns, the keying symbols will print correctly. If you cannot determine why the keying symbols do not print correctly, contact your company's technical support staff. They will be able to help you determine the correct action to take.

amount (\$25 max) ▶ 67	_____
ons	● 68 _____
line 65 from line 54. Mail your return to:	
Sacramento, CA 94240-0000.	■ 69 _____
65. Attach check or money order for full amount payable to security number and "1992 Form 540NR" on it. Mail it with	
Box 942867, Sacramento, CA 94267-0001. . . .	■ 70 _____
penalties	71 _____
5805 or 5805F is attached, check here . . .	<input type="checkbox"/> ■ 72 _____
forms mailed to you next year, check here .	● 73 <input type="checkbox"/> _____

Facsimile (text mode) Forms

For filing purposes, FTB does not accept dot matrix facsimile signature returns (scannable Form 540, scannable Form 540A, Form 540EZ, Form 540NR, Form 540X, Form 100, Form 100S, Form 100X, Form 109, Form 199, Form 541, Form 565, Form 568, and FTB 3805P) because they do not contain the required graphics necessary for processing. The use of an overlay is required.

If your company's product does not offer the option to use an overlay, the following message will print on the return: **"DO NOT FILE THIS FORM."** In this case, you must transfer all information to an official form.

Prior Year and Amended Returns

Do not use 1994 software to file a prior year return.

Amend personal income tax Forms 540, 540A, 540-ADS, 540EZ and 540NR by completing Form 540X, Amended Individual Income Tax

Return. **Note:** When amending Form 540NR you must also attach a revised Form 540NR to Form 540X.

Amend corporate income tax Forms 100 and 100S by completing Form 100X, Amended Corporation Franchise or Income Tax Return.

Federal Form 1040PC

FTB accepts federal Form 1040PC as a federal tax return when one is required to be attached to the California return.

Form FTB 3595, Special Handling Required

If your client's Form 540, 540A, 540EZ or 540NR includes any of the special circumstances listed below, check the appropriate item(s) and staple form FTB 3595 to the front of Side 1 in the upper left hand corner. Be sure to **paper clip** when you attach this form to Form 540-ADS.

- Taxable year ending other than December 31;
- Farmer or Fisherman;
- Form FTB 5805 attached;
- Deceased taxpayer or spouse;
- Substitute withholding statement included;
- Taxpayer could be claimed as a dependent on another return;
- Taxpayer out of country on original due date of return;
- Homeowner claiming renter's credit because of separate residence (Tax year 1992 and prior years only);
- Desert Storm/Restore Hope (Somalia);
- Withheld at source; and
- Disaster.

Note: If your client's are required to attach special handling forms FTB 5805, Underpayment of Estimated Tax by Individuals and Fiduciaries or FTB 5805F, Underpayment of Estimated Tax by Farmers and Fishermen, staple the form(s) to the front of Side 1 in the upper-left hand corner. Be sure to paper clip when you attach either of these forms to Form 540-ADS.

Additional Credit Names, Codes, and Acronym Names

Credit Name	Code	Acronym Name
Joint Custody	170	JT CSTDY HOH
Head of Household*		
Dependent Parent*	173	DEP PARENT
Senior Head of Household*	163	SR HOH
Political Contributions Credit Carryover	184	POLTCL CTB
Prison Inmate Labor	162	INMATE LABOR
Jobs Credit	166	JOBS
Low-Emission Vehicles	160	LOW-EMS VHCL
Enterprise Zone Employees Credit	169	E/Z EMPL
Young Infant	161	YNG INFNT CO
Ridesharing Credit: Carryover	171	R/S CO
Ridesharing Credit: Large Employer Program	191	R/S LG EMPLR
Ridesharing Credit: Small Employer Program	192	R/S SM EMPLR
Ridesharing Credit: Employer Subsidized Public Transit Passes	193	R/S TRANSIT
Ridesharing Credit: Employee Vanpool Program	194	R/S EMPLR VN
Enterprise Zone Hiring/Sales and Use Tax Credit	176	E/Z HIRE/USE

Program Area Hiring/Sales and Use Tax Credit	177	P/A HIRE/USE
Los Angeles Revitalization Zone Hiring/Sales and Use Tax Credit	159	LARZ HRE/USE
Water Conservation Credit Carryover	178	WATRCRSRV CO
Solar Pump Credit Carryover	179	SLR PUMP CO
Energy Conservation Credit Carryover	182	NRG CSRV CO
Residential Rental and Farm Sales Credit Carryover	186	RES RNT/FARM
Employer Child Care Program	189	CHLDCARE PRG
Employer Child Care Contribution	190	CHLDCARE CTR
Recycling Equipment	174	RCYCL EQUIP
Agricultural Products Credit Carryover	175	AGRI PRODUCT
Solar Energy Credit Carryover	180	SLR NRG CO
Commercial Solar Energy Credit Carryover	181	COM SLR NRG
Commercial Solar Electric System Credit Carryover	196	COMSLR EL CO
Research	183	RESEARCH
Orphan Drug Credit Carryover	185	ORPHN DRG CO
Low-Income Housing	172	LOW-INC HOUS
Credit for Prior Year Alternative Minimum Tax	188	PRIOR YR AMT
Out of State Credit	187	OUT OF STATE
Child Adoption Costs Credit	197	CHILD ADOPT

* Form 540-ADS is limited to these three credits.

Additional Credits

Field numbers 28, 29 and 30 in the scanband (Forms 540 and 540A) and in the tax segment area (Form 540-ADS) are where your client's additional credit amounts, if any, will print. The additional credit amount **must** be preceded by the appropriate three-digit numeric code. Additional credits are limited on Form 540-ADS.

Additional Credit Examples

Dependent Parent Credit (code 173) of \$20 in field number 28. The scanband on Forms 540 and 540A will look like this:

28 17320

Dependent Parent Credit (code 173) of \$20 in field number 28. The tax segment area on Form 540-ADS will look like this:

*28 17320

For more information refer to "Additional Credit Lines 28, 29, and 30" on page 7.

California Election Fund Campaign (CEFC)

Field numbers 57 and 58 in the scanband (Forms 540 and 540A) and in the tax segment area (Form 540-ADS) are where your client's CEFC, if any, will print. The CEFC amount **must** be preceded by the appropriate two-digit numeric code.

California Election Fund Campaign Political Party Names, Acronyms and Codes

<u>Political Party</u>	<u>Acronym</u>	<u>Code</u>
American Independent	AIP	11
Democratic	DEM	22
Green	GRN	60
Libertarian	LIB	33
Peace and Freedom	P&F	44
Republican	REP	55

California Election Fund Campaign Examples

Taxpayer contributes \$25 to the Democratic party (code 22) and spouse contributes \$5 to the Republican party (code 55). The scanband on Forms 540 and 540A will look like this:

57 2225
58 555

The tax segment area on Form 540-ADS will look like this:

*57 2225
*58 555

For more information refer to "California Election Campaign Fund Lines 57 and 58" on page 7.

FTB Taxpayer Signature and Authentication Policy

FTB's policy is to ensure proper authentication of the information provided to us by taxpayers. The level of authentication needed on specific documents depends on several factors, including how FTB uses the information. To help you determine whether or not FTB will accept photocopies or facsimiles of taxpayer's signature(s), FTB has categorized the level of signature authentication required into three groups.

The category and its number (c1, c2, or c3) will print after the form number in the bottom margin on each form. The three categories are:

- Category 1 (c1) Original authentication required; facsimiles acceptable only if original is subsequently provided.
- Category 2 (c2) Copy of signature is sufficient proof that original was signed; photocopy or facsimile is acceptable.
- Category 3 (c3) No authentication required.

FTB's Tax Practitioner Services

The Tax Practitioner Hotline and Electronic Correspondence (formerly called Correspondence by Fax), are dedicated to helping CPAs, enrolled agents, attorneys and other tax practitioners with questions on tax law, forms, California reporting requirements and account resolution matters.

The Hotline is staffed year round, Monday through Friday, from 8:00 a.m. to 5:00 p.m., and from January 15, through April 15, from 7:00 a.m. to 8:00 p.m. Pacific Standard Time. The telephone number is (916) 858-0571. If you call, be ready to provide pertinent client information such as social security number, latest notice received or facts relating to the inquiry. Line agents can respond to questions on both personal income tax and bank and corporation tax law.

Electronic Correspondence can receive incoming correspondence 24 hours a day, seven days a week. The FAX number is (916) 845-6377. When you fax your transmission, be sure your cover sheet includes your business letterhead, FAX number and daytime telephone number. Generally, your correspondence will be answered in less than 5 working days. To help ensure a quick response, it is recommended that you keep your fax machines turned on at all times.

In addition to the services mentioned above, FTB also has an interactive Tax Practitioner Bulletin Board System (BBS). The BBS provides on-line access to recent legislation, tax forms clarifications and other information. If you have tax questions for the BBS use your PC and modem to dial (916) 858-0575. Access is available 24 hours a day, seven days a week.

The 1994 scannable
Forms 540, 540A,
540-ADS,
with entity format,
"patch," "scanband,"
and assembly guidelines

Staple
Special Handling
Forms Here

Staple
Supporting Forms
or Schedules Here

Staple
Forms W-2, W-2G
and 1099-R Here

Attach
Sides 1 and 2 with
Paper Clip Here

Staple Check
or Money Order
Here

Staple
Special Handling
Forms Here

Paper Clip
Attachments
Here

**California Resident
Income Tax Return 1994**
APR 05-01-93 04-30-94

540

DO NOT ATTACH LABELS 999-99-0001 JONE ** 999-99-0002 94
JONE J JONES
MARY J JONES

Step 1 111 BUTTERFIELD WAY BLDG 50
SACRAMENTO CA 95827-1111

FOR COMPLETION USE ONLY

01	2	30	17330	49	0	64	0
06	0	31	0	50	0	APR	0494
09	0	35	0	51	0	1800	0
10	0	36	0	52	0	1803	0
12	40000	37	1831	53	0	SCHP	0
14	109200	38	5000	54	0	SCHQ1	0
16	4000	39	0	55	0	SCHT0A	0
17	79946	41	0	56	0	5805 5805F	0
18	25000	42	3169	57	6025		
20	2166	44	0	58	335		
21	260	45	3169	59	30		
23	0	46	0	60	3139		
28	16320	47	0	61	0		
29	17025	48	0	63	0		

Step 2 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Step 3 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Step 4 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Step 5 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Step 6 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Step 7 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Step 8 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Step 9 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Step 10 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Step 11 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Step 12 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Sign Here 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

For Privacy Act Notice, see Instructions. Form 540-C 1 1994 Side 1

**1994 CALIFORNIA
AUTOMATED DATA SHEET**

540-ADS

999-99-0001 JONE ** 999-99-0002 94
JONE J JONES
MARY J JONES

111 BUTTERFIELD WAY BLDG 12
SACRAMENTO CA 95827-0000

*01	2	/05	0	*06	0	/07	
/08	0	*08	0	*10	2	/11	4
*12	40000	/13	185146	*14	109200	/15	75946
*16	4000	*17	79946	*18	25000	/19	54946
*20	2193	/21	260	/22	1906	*23	16320
*29	17025	*30	17330	/33	75	/34	1831
*36	0	*37	1831	*38	5000	*39	0
*41	0	/42	5000	*43	3169	*44	0
*49	0	*50	0	*51	0	*52	
*53	0	*54	0	*55	0	*56	
*57	6025	*58	335	*59	30	*60	
*61	0	/62	0	*64	0		

PAPER CLIP W-2'S TO FORM 540-ADS AND MAIL TO: FRANCHISE TAX BOARD,
ADM PROCESSING CENTER, PO BOX 2128, RANCHO CORDOVA CA 95741-2128

UNDER PENALTIES OF PERJURY, I DECLARE THAT I HAVE EXAMINED THIS RETURN
INCLUDING ACCOMPANYING SCHEDULES AND STATEMENTS, AND TO THE BEST OF MY
KNOWLEDGE AND BELIEF, IT IS TRUE, CORRECT AND COMPLETE. DECLARATION
PREPARED IS BASED ON ALL INFORMATION OF WHICH PREPARER HAS ANY KNOWLEDGE.
IF JOINT RETURN, BOTH SIGN. IT IS UNLAWFUL TO FORGE A SPOUSE'S SIGNATURE.

YOUR SIGNATURE/DATE _____ SPOUSE'S SIGNATURE/DATE _____

PREPARED BY SIGNATURE/DATE _____ SOFTWARED
TAXPREPARER'S NAME EIN 9999999999
BUSINESS NAME PREPARED TELEPHONE 18009999999
STREET ADDRESS ANYTOWN CA 99999-1111

**California Resident
Income Tax Return 1994**

540A

DO NOT ATTACH LABELS 111-11-1111 SMIT 222-22-2222 94
ROBERT J SMITH (DBCD 12-10-94)
KELLY J SMITH (DBCD 12-11-94)

Step 1 3452 1/2 BUSY DR BORDERTOWN
CA 12345-1111

Step 2 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Step 3 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Step 4 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Step 5 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Step 6 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Step 7 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Step 8 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Step 9 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Step 10 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Step 11 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Step 12 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

Sign Here 1 ☐ Single ☐ Married filing jointly (even if only one spouse has income)
2 ☐ Married filing separately (even if only one spouse has income)
3 ☐ Head of household (even if only one spouse has income)
4 ☐ Qualifying widow(er) with dependent child (even if only one spouse has income)

For Privacy Act Notice, see Instructions. Form 540A-C 1 1994 Side 1

Tax Practitioner Tips for Computer Preparing, Assembling, and Mailing Scannable Forms 540, 540A, and 540-ADS

Form	Scannable Form 540	Scannable Form 540A	Scannable Form 540-ADS
Monetary Amounts (Taxpayer's Tax Data)	Monetary amounts must print in the scanband and must be whole dollars without decimal points or other punctuation. Monetary amounts in the conventional part of the form must include decimal points or a vertical rule (penny line).	Same as Scannable Form 540.	Monetary amounts in the tax segment area must be whole dollars without decimal points or other punctuation.
Additional Credit Lines 28, 29, and 30	Name or acronym of the credit, code number, and amount will print on the applicable lines in the conventional part of the form. See example on page 4.	Additional credits may not be claimed on Form 540A.	Name or acronym of the credit will print in the corresponding descriptor fields 28A, 29A, and 30A. See example on page 4.
California Election Campaign Fund Lines 57 and 58	Name or acronym of the political party and amount will print on the applicable lines in the conventional part of the form. See example on page 5.	Same as Scannable Form 540.	Name or acronym of the political party will print in the corresponding descriptor fields 57A and 58A. See example on page 5.
FTB-Supplied Label	Do not apply the FTB-supplied label to the return. FTB's IADC system captures only the information that the software prints on the return. It will not read the information on the FTB-supplied label.	Same as Scannable Form 540.	Same as Scannable Form 540.
Making Corrections	Do not make corrections on the form. Do not modify the name, address, or tax data information. If there is an error, print a new return.	Same as Scannable Form 540.	Same as Scannable Form 540.
Submit Original Returns	Submit original (hardcopy) returns. Do not submit photocopied returns. Return should be single-sided, not two sided. Returns using overlays are considered originals.	Same as Scannable Form 540.	Same as Scannable Form 540.
Attaching Federal Forms and California Supporting Forms	Form 540 may require attachments. Federal forms and California supporting forms may be stapled to the back of Side 2 of Form 540. FTB accepts federal Form 1040PC as a federal tax return.	Never attach federal tax return to Form 540A.	Never attach federal tax return to Form 540-ADS.
Attaching Wage Statements	Staple "state" copy of Forms W-2, W-2G and 1099-R to the front of Side 2 in the area below the words "Step 10, Contributions."	Staple "state" copy of Forms W-2, W-2G and 1099-R to the front of Side 2 in the area below the words "Step 7, Refund or Amount You Owe."	Paper clip all wage statements to the front of Page 1.
Attaching Check or Money Order	Staple check or money order to the front of Side 1 in the area below the words "Step 4, Taxable Income."	Same as Scannable Form 540	Paper clip check or money order to the front of Page 1.
Assembling Return	Paper clip Side 1 to Side 2 in the area below the words "Step 3, Exemptions."	Same as Scannable Form 540	Paper clip all subsequent pages to the back of Page 1.
Where to Mail the Return To	<p>REFUND OR NO AMOUNT DUE:</p> <p>Franchise Tax Board Image Processing P.O. Box 942840 Sacramento, CA 94240-0009</p> <p>AMOUNT YOU OWE:</p> <p>Franchise Tax Board P.O. Box 942867 Sacramento, CA 94267-0001</p>	Same as Scannable Form 540.	<p>ALL 540-ADS:</p> <p>Franchise Tax Board ADS Processing Center P.O. Box 2128 Rancho Cordova, CA 95741-2128</p>

Tax Practitioner Tips for Computer Preparing, Assembling, and Mailing Forms 540EZ, 540NR, and 540X

Form	Form 540EZ	Form 540NR	Form 540X
Monetary Amounts (Taxpayer's Tax Data)	Monetary amounts may include decimal points.	Monetary amounts may include decimal point or a vertical rule (penny line).	Same as Form 540NR.
Additional Credits	Additional credits may not be claimed on Form 540EZ.	Name or acronym of the credit, code number, and amount will print on the applicable lines of the form.	Not applicable.
California Election Campaign Fund	Name or acronym of the political party and amount will print on the applicable lines of the form.	Same as Form 540EZ.	Not applicable.
FTB-Supplied Label	You may apply the FTB-supplied label to the return. However, it may not be necessary because your software product should print this information.	Same as Form 540EZ.	Same as Form 540EZ.
Making Corrections	If the name and address printed on the return need correcting, draw a line across the incorrect information and clearly write the correct information.	Same as Form 540EZ.	Same as Form 540EZ.
Submit Original Returns	Submit original or photocopied returns. However, the signature(s) of the taxpayer(s) must be original.	Same as Form 540EZ.	Same as Form 540EZ.
Attaching Federal Forms and California Supporting Forms	Never attach federal tax return to Form 540EZ.	Always attach federal tax return to Form 540NR. FTB accepts federal Form 1040PC as a federal tax return.	Attach all supporting forms and schedules for items changed. Include federal forms and schedules if you made a change to your federal return. Include name and SSN for taxpayer (and taxpayer's spouse, if any,) on all attachments.
Where to Mail the Return To	<p>REFUND OR NO AMOUNT DUE:</p> <p>Franchise Tax Board P.O. Box 942840 Sacramento, CA 94240-0000</p> <p>AMOUNT YOU OWE:</p> <p>Franchise Tax Board P.O. Box 942867 Sacramento, CA 94267-0001</p>	Same as Form 540EZ.	Same as Form 540EZ.